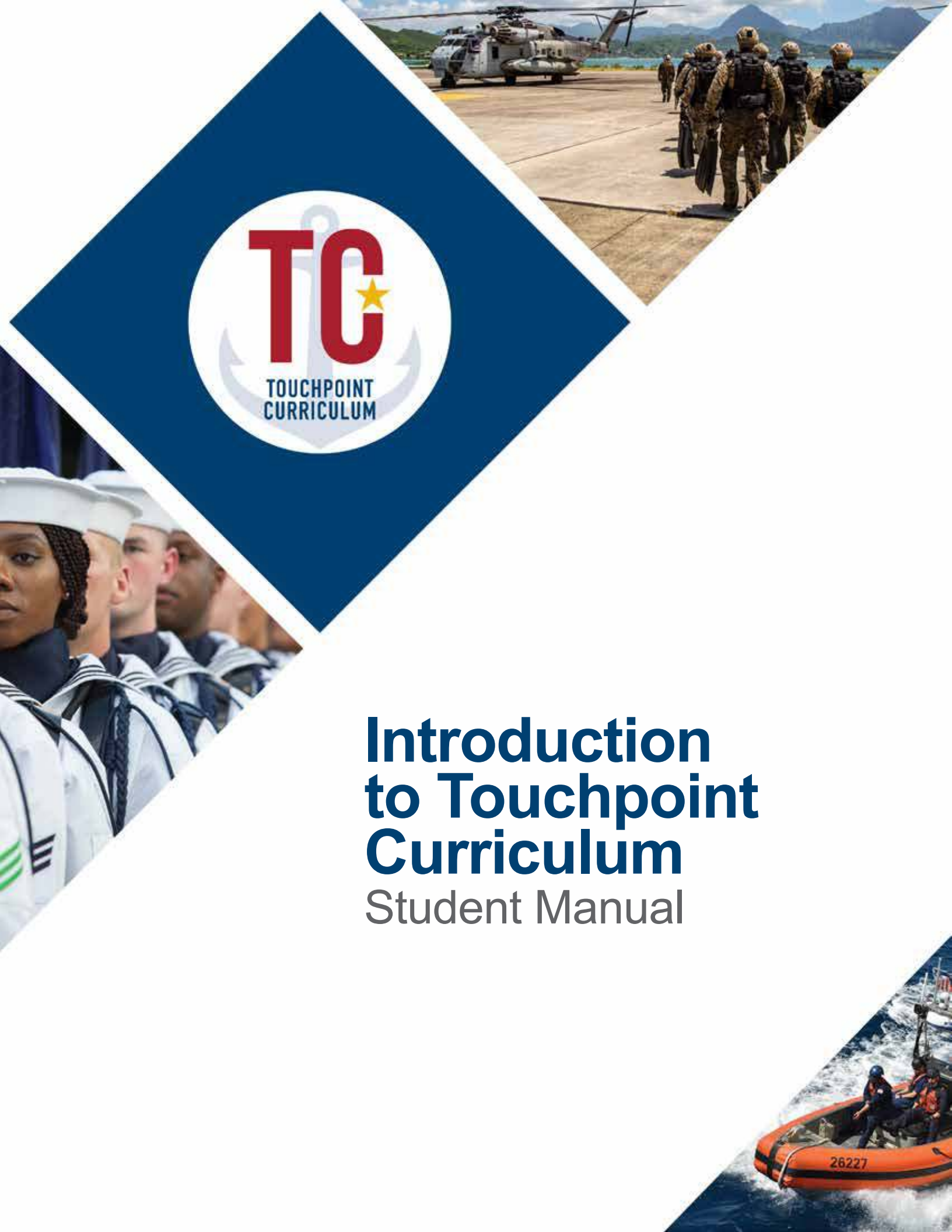




Introduction to Touchpoint Curriculum

Student Manual



I. INTRODUCTION

Purpose and Scope of Touchpoint Curriculum

Touchpoint Curriculum is designed to meet financial readiness Common Military Training (CMT) requirements as outlined in Directive Type Memorandum (DTM) 19-009. These CMT requirements provide Service members the common knowledge, skills, and behavior standards to enable them to manage their financial affairs in a manner that enhances financial readiness. Military Departments must provide Service members financial literacy training in accordance with the personal and professional touchpoints across the military life cycle identified in Section 992(a) of Title 10, U.S.C. Table 1 of this DTM establishes standard minimum Terminal Learning Objectives (TLOs) required at each touchpoint, consistent with DoDI 1322.31.

Touchpoint Curriculum is used by the US Navy to provide a life cycle/career cycle approach to financial literacy training, ensuring just-in-time information is provided to Service members where and when they need it. The PFM program is recognized as the strongest link between a member and his or her successful financial future. As a CFS, you will be the subject matter expert at your command. You will provide counseling, referrals, and proactive financial education and training.

Touchpoint Curriculum Chapter Layout

TC 1: *Introduction to Touchpoint Curriculum*
TC 2: *First Duty Station*
TC 3: *Permanent Change of Station (PCS)*
TC 4: *Promotion*
TC 5: *Vesting in the Thrift Savings Plan (TSP)*
TC 6: *Entitlement to Continuation Pay (CP)*
TC 7: *Marriage*
TC 8: *Welcoming Your First Child*
TC 9: *Preparing for Divorce*
TC 10: *Disabling Sickness or Condition*
TC 11: *Leadership Training*
TC 12A: *Pre-Deployment Preparation*
TC 12B: *Post-Deployment*

II. LEARNING OBJECTIVES:

- Be familiar with the Touchpoints identified in the DTM
- Be familiar with their Touchpoint Toolbox
- Demonstrate proficiency using Touchpoint Checklists and Handouts, Videos and Video Discussion Guides, and PowerPoint (PPT) Slides and Instructor Guides.
- Demonstrate proficiency with skills learned in previous sessions to include financial counseling, mechanics of the FPW/eFPW, and instructional techniques.
- Understand how financial literacy training requirements are tracked from NSIPS to FLTMPs.

III. REFERENCES

Note to CFS: You will not be expected to teach this course. We are including the PPT and IG so you have it for reference.

- Directive Type Memorandum 19-009
- Office of Financial Readiness (FINRED) Road to Financial Readiness
- milSuite — <https://www.milsuite.mil/book/groups/cnic-personal-financial-management-program-wfl>
- Office of Financial Readiness (FINRED) — <https://finred.usalearning.gov/Training/>
- CNIC Touchpoint Curriculum — https://www.cnic.navy.mil/ffr/family_readiness/fleet_and_family_support_program/work-and-family-life/personal_finances/pfm-touchpoint-checklists.html

IV. ACRONYMS AND ABBREVIATIONS

Acronym/Abbreviation	Full Name	Definition
DTM	Directive Type Memorandum	It is designed to meet financial readiness Common Military Training (CMT) requirements to provide Service members the common knowledge, skills, and behavior standards to enable them to manage their financial affairs in a manner that enhances financial readiness.
TC	Touchpoint Curriculum	Touchpoint Curriculum is the Navy's version of financial literacy to meet the requirements of DTM 19-009. It includes Checklists and Handouts, PowerPoint (PPT) training slides with Instructor Guide (IG), and Videos with Video Discussion Guides (VDGs).

V. TOUCHPOINT TOOLBOX: MATERIALS AND RESOURCES TO TEACH TOPIC

As a reminder, TC1 is an administrative chapter designed to provide an overview of Touchpoint Curriculum. It is not an actual Touchpoint, therefore, it will not have any products (Checklists/Handouts) other than the PowerPoint and Instructor Guide used during your CFS course.

All materials are available on PFM milSuite, CNIC and FINRED websites (listed above), and DVD. Links to curriculum may change or vary locally.

Delivering the right financial training at the right time helps ensure that Service members understand the financial implications, considerations, and decisions that need to be made at each Touchpoint. The tools listed below teach the same story but let you, the CFS, tell it different ways, depending on your audience, your time allotted, or your particular teaching style. They can be mixed and matched to provide the best learning experience.

REMEMBER: Every Counselee should receive a signed, dated copy of the Counselee Checklist to verify training completion and, most importantly, to ensure they have a reference to help them navigate the financial decisions required at each Touchpoint.

1. One-on-One Counseling Checklists and Handouts (Service Specific)

- Counselor Checklist – Not applicable for TC 1
- Counselee Checklist – Not applicable for TC 1

Handouts:

- *All Handouts* listed on Checklist – Not applicable for TC 1

2. Classroom Training Materials (Service Specific)

- Touchpoint Checklists and Handouts – Not applicable for TC 1
- PowerPoint (PPT) Training slides and Instructor Guide (IG)
CFS will not be required to teach this class. You are being provided a copy of the CFS Instructor Guide for informational purposes only.
- Videos and Video Discussion Guides (VDG) – Not applicable for TC 1

3. Online Training

- Touchpoint (Navy e-Learning, My Navy Portal or your service-specific e-Learning site) – Not applicable for TC 1

VI. ADDITIONAL LEARNING AND ACTIVITIES

Section 6 of each chapter provides additional ideas for conversations and activities to have with your clients or audience. Encourage Service members to attend PFM Standard Curriculum courses (PFMSC) at the local Fleet and Family Service Center (FFSC) or Installation Family Service Center to learn more about financial considerations for each Touchpoint.

Banking and Financial Services
Car-Buying Strategies
Consumer Awareness
Credit Management
Developing Your Spending Plan
Family Financial Planning
Financial Planning for Deployment
Gambling Awareness
Home Buying
How to Survive the Holidays Financially
Marriage and Money
Military Pay Issues
Money and the Move
Paying for College
Paying off Your Student Loans
Planning for Your Retirement
Raising Financially Fit Kids
Renting
Saving and Investing
Smart Transition Planning
Survivor Benefit Plan
The Thrift Savings Plan
Your Insurance Needs

VII. FORMS

- DTM 19-009
- FINRED Road to Financial Readiness
- CFPB Five Principles of Financial Literacy



PERSONNEL AND
READINESS

OFFICE OF THE UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

August 13, 2019
Incorporating Change 1, Effective August 12, 2020

MEMORANDUM FOR CHIEF MANAGEMENT OFFICER OF THE DEPARTMENT OF
DEFENSE
SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
CHIEF OF THE NATIONAL GUARD BUREAU
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, COST ASSESSMENT AND PROGRAM
EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
CHIEF INFORMATION OFFICER OF THE DEPARTMENT OF
DEFENSE
ASSISTANT SECRETARY OF DEFENSE FOR LEGISLATIVE
AFFAIRS
ASSISTANT TO THE SECRETARY OF DEFENSE FOR PUBLIC
AFFAIRS
DIRECTOR, NET ASSESSMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Directive-type Memorandum (DTM) 19-009 – Financial Readiness Common
Military Training Requirements

References: See Attachment 1.

Purpose.

- In accordance with the authority in DoD Directive 5124.02, this DTM establishes policy, assigns responsibilities, and provides requirements for the organization, management, and implementation of financial readiness common military training (CMT) requirements in accordance with Section 992 of Title 10, United States Code (U.S.C.).
- This DTM is effective August 13, 2019; it will be converted to a new DoD instruction (DoDI). This DTM will expire effective August 13, 2021.

Applicability. This DTM applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (referred to collectively in this DTM as the “DoD Components”).

Definitions. See Glossary.

Policy.

- Financial readiness CMT requirements provide Service members the common knowledge, skills, and behavior standards to enable them to manage their financial affairs in a manner that enhances mission readiness.
- Financial readiness CMT requirements, in accordance with Section 992 of Title 10, U.S.C. and DoDI 1322.31, provide a functional baseline of common knowledge, skills, and behavior standards for all Service members across all Military Departments.
- The Military Departments may decentralize the assessment, planning, conduct, and evaluation of CMT requirements in this DTM. The CMT requirements in this DTM are a minimum standard and the Military Departments may use them as a framework to consolidate, reduce, and eliminate their own mandatory training requirements.
- Unless otherwise directed, leaders at all levels will use the terminal learning objectives (TLOs) established in this DTM to meet financial readiness CMT requirements and will use their individual and collective training assessments to identify subject matter gaps consistent with DoDI 1322.31. Leaders will have the latitude to determine how best to achieve the CMT requirements consistent with this DTM.


Responsibilities. See Attachment 2.

Procedures. See Attachment 3.

Releasability. Cleared for public release. Available on the Directives Division Website at <https://www.esd.whs.mil/DD/>.

Summary of Change 1. The changes to this DTM are administrative, update the references, and extend the expiration date.

DTM 19-009, August 13, 2019



James N. Stewart
Assistant Secretary of Defense for Manpower
and Reserve Affairs, Performing the Duties
of the Under Secretary of Defense for
Personnel and Readiness

Attachments:
As stated

ATTACHMENT 1

REFERENCES

“Blended Retirement System Training for Continuation Pay Provision Training Development Guide”
Deputy Secretary of Defense Memorandum, “Implementation of the Blended Retirement System,” January 27, 2017
DoD Directive 5124.02, “Under Secretary of Defense for Personnel and Readiness (USD(P&R)),” June 23, 2008
DoD Instruction 1322.31, “Common Military Training (CMT),” February 20, 2020
DoD Instruction 1332.35, “Transition Assistance Program (TAP) for Military Personnel,” September 26, 2019
DoD Instruction 1342.22, “Military Family Readiness,” July 3, 2012, as amended
DoD Instruction 1344.07, “Personal Commercial Solicitation on DoD Installations,” March 30, 2006
United States Code, Title 10

ATTACHMENT 2

RESPONSIBILITIES

1. ASSISTANT SECRETARY OF DEFENSE FOR READINESS (ASD(R)). Under the authority, direction, and control of the Under Secretary of Defense for Personnel and Readiness (USD(P&R)), the ASD(R) will:

- a. Develop and monitor the implementation of policy, procedures, and information requirements relating to financial readiness CMT requirements.
- b. Advise the USD(P&R) on matters related to financial readiness CMT requirements.
- c. Ensure the Military Departments effectively implement financial readiness CMT requirements, in accordance with this DTM.
- d. Adjudicate any requests for an exception to policies established in this DTM.

2. DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR FORCE EDUCATION AND TRAINING (DASD(FE&T)). Under the authority, direction, and control of the ASD(R), the DASD(FE&T) will:

- a. Provide direct oversight of financial readiness CMT requirements by monitoring compliance with this DTM.
- b. Establish minimum TLOs for financial readiness CMT requirements through the entirety of the military life cycle and review TLOs regularly to address changes in training needs in accordance with DoDI 1322.31.
- c. Develop and distribute appropriate standardized training content and other educational products as necessary, in coordination with the Military Departments.
- d. Coordinate with the Deputy Assistant Secretary of Defense for Reserve Integration (DASD(RI)) and the Deputy Assistant Secretary of Defense for Military Community and Family Policy (DASD(MC&FP)) to ensure financial readiness CMT requirements are integrated in applicable programs, as necessary.

3. ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER AND RESERVE AFFAIRS (ASD(M&RA)). Under the authority, direction, and control of the USD(P&R), the ASD(M&RA) will coordinate with the ASD(R) to integrate appropriate financial readiness CMT requirements into programs under the purview of the ASD(M&RA).

4. DASD(RI). Under the authority, direction, and control of the ASD(M&RA), the DASD(RI) will:

a. Coordinate with the DASD(FE&T) to integrate appropriate financial readiness CMT requirements into programs under the purview of the DASD(RI), such as the Transition Assistance Program and Yellow Ribbon Reintegration Program.

b. Ensure relevant curricula in these programs include the appropriate TLOs.

5. DASD(MC&FP). Under the authority, direction, and control of the ASD(M&RA), the DASD(MC&FP) will:

a. Coordinate with the DASD(FE&T) to integrate appropriate financial readiness CMT requirements into family readiness programs, resources, and information, as well as into the services provided by Military and Family Support Centers in accordance with DoDI 1342.22.

b. Require such resources to be available to Service members and spouses.

6. DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR MILITARY PERSONNEL POLICY. Under the authority, direction, and control of the ASD(M&RA), the Deputy Assistant Secretary of Defense for Military Personnel Policy will provide information and updates on military compensation and entitlements to the DASD(FE&T) to support establishment of related financial readiness CMT requirements.

7. SECRETARIES OF THE MILITARY DEPARTMENTS. The Secretaries of the Military Departments will:

a. Monitor compliance with this DTM by personnel under their respective authority, direction, and control, and issue appropriate guidance implementing the requirements of this DTM.

b. Develop and deliver training, at a minimum, in accordance with Section 992 of Title 10, U.S.C., and this DTM.

c. Develop plans to deliver financial readiness CMT requirements identified in this DTM. Such plans must be submitted to ASD(R) no later than 3 months after publication of this DTM, and include the following information for each mandatory touchpoint:

- (1) Organization(s) responsible for delivery;
- (2) Point of delivery;
- (3) Delivery method;
- (4) TLOs;
- (5) Schedule for delivery of training;
- (6) Outline of training material(s); and,

(7) Description of how training assessments and/or evaluations will be performed.

8. CHIEF, NATIONAL GUARD BUREAU. The Chief, National Guard Bureau will coordinate with the Secretaries of the Army and Air Force to ensure compliance with this DTM for Service members in the National Guard.

ATTACHMENT 3

PROCEDURES

1. REQUIREMENTS. The Military Departments must provide Service members financial literacy training, in accordance with the personal and professional touchpoints across the military life cycle identified in Section 992(a) of Title 10, U.S.C. Table 1 of this DTM establishes standard minimum TLOs required at each touchpoint, consistent with DoDI 1322.31. The Military Services are not required to directly replicate the TLOs in Table 1, but must show correlation to the required TLOs appropriate to the specific touchpoint in terms of learning outcomes.

a. Frequency.

(1) Training must be provided:

(a) When a Service member reaches a personal or professional touchpoint; or

(b) On an annual basis when several touchpoints occur 6 months before or after the time of delivery. Training conducted on an annual basis must include TLOs for all touchpoints the Service member has reached since the previous training, as well as those anticipated to be reached within 6 months after the time of delivery.

(2) TLOs associated with the following touchpoints may not be combined with training provided on an annual basis, as described in Paragraph 1.a.(1)(b) of this attachment, and must be provided during:

(a) Initial entry training;

(b) Leadership training;

(c) Pre- and post-deployment training; and

(d) Transition.

(3) At the Military Department's discretion, TLOs required to be provided at a Service member's first duty station, in accordance with Table 1, may be delivered during a Service member's initial entry training.

b. Delivery.

(1) Point of Delivery. Determining the appropriate point of delivery for required training is at the discretion of the Military Departments, and may include institutional training, professional military education, or unit training.

(2) Method of Delivery. Training methods of delivery may include, but are not limited to, instructor-led, computer-based, web-based, or structured self-development training, as well as training received as part of one-on-one financial counseling.

(a) If training is delivered as in-person classroom training, instructors must be adequately trained and familiar with the content to be delivered. Training pertaining to a Service member's rights and remedies under the law must be delivered by qualified legal counsel, subject to the authority of the General Counsel of the Military Department concerned or the Judge Advocate General of the Military Department concerned or, at a minimum, the materials to be presented must be reviewed and approved by such qualified legal counsel.

(b) If training is delivered through one-on-one financial counseling, such counseling must be provided in accordance with the requirements in Section 992(b) of Title 10, U.S.C. and DoDI 1342.22, pertaining to counseling on financial services provided to Service members.

(c) Training may be delivered by non-federal entities without branding or attribution to such entity and in accordance with the provisions in DoDI 1344.07.

c. Target Audience. The target audience for each touchpoint is the population that experienced, or anticipates experiencing, the event associated with the touchpoint (e.g., new Service members during initial entry training and arrival at their first duty station, and Service members preparing for or returning from deployment).

d. Standardized Training. The following standardized training curriculum must be included with training delivered by the Military Departments at the identified touchpoints in accordance with the January 27, 2017 Deputy Secretary of Defense Memorandum and DoDI 1332.35. With the exception of training specified in Paragraph 1.d.(4) of this attachment, the Military Departments may tailor training to fit within their training delivery mode, to meet the needs of their audience as long as TLOs from the standardized training and those identified in Table 1 are met. The Military Departments must deliver the following standardized training curriculum:

(1) The "Uniformed Services Blended Retirement System: Your Retirement System" training no later than 365 days after the pay entry base date for all newly accessed Service members;

(2) Training on continuation pay developed by the Military Departments in accordance with the "Blended Retirement System Training for Continuation Pay Provision Training Development Guide;"

(3) The "Blended Retirement System Lump Sum Payment Course" to Service members covered by the Blended Retirement System who are both eligible and intend to elect a lump sum of retired pay in accordance with Section 1415 of Title 10, U.S.C; and,

(4) The "Financial Planning for Transition" training in accordance with DoDI 1332.35 as part of the Transition Assistance Program.

e. Training Materials.

(1) Training materials may include, but are not limited to, lesson plans, training guides, presentation slides, infographics, pamphlets, and other materials that will be used to deliver training.

(2) The Military Departments may also use materials that are developed and released internally or by the organizations and entities listed below. However, such materials may not be used as a replacement for the training curricula identified in Paragraph 1.d. of this attachment:

(a) Departments and agencies of the Federal Government.

(b) Non-federal entities, provided such materials are without branding or attribution to such entity, and are approved and presented in accordance with DoDI 1344.07.

Table 1. Financial Readiness CMT TLOs

		Initial Entry Training	First Duty Station	Permanent Change of Station	Promotion	Vesting in TSP	Entitlement to Continuation Pay	Major Life Events	Leadership Training	Pre- and Post-Deployment	Transition
Basic Finance	Recognize the importance of personal financial management and what resources are available.	X							X		
	Identify warning signs of Service members at risk for financial problems.	X							X	X	
	Understand the fundamentals of banking services and fees.	X	X								
	Understand the fundamentals of creating and managing a spending plan, and the importance of updating a spending plan.		X	X	X		X	X		X	X
	Understand the fundamentals and management of debt and credit.	X	X	X						X	
	Understand fundamentals of income tax and common tax benefits, and potential changes to tax situation.		X				X	X		X	X
Consumer Protections	Know military consumer protection law fundamentals (SCRA/MLA).	X								X	
	Recognize and understand how to protect yourself from misleading consumer practices, and report complaints.		X				X			X	
	Recognize and identify steps to resolve identity theft.		X							X	
Major Purchases	Analyze the implications and identify strategies for financing a major purchase.	X	X								
	Analyze financial implications and identify strategies for buying a car.		X								
	Understand education financing, to include available benefits, obligations, and repayment options.		X					X			

Table 1. Financial Readiness CMT TLOs, Continued

		Initial Entry Training	First Duty Station	Permanent Change of Station	Promotion	Vesting in TSP	Entitlement to Continuation Pay	Major Life Events	Leadership Training	Pre- and Post-Deployment	Transition
Planning for the Future	Comprehend the components of Service member's military retirement system and the importance of preparing for retirement.	X				X	X	X	X		X
	Discuss the reasons, needs, types, and options for purchasing insurance.		X					X		X	X
	Understand purpose and implications of estate planning (beneficiaries, wills, trusts, power of attorney, etc.)	X						X		X	X
Compensation, Benefits, and Entitlements	Know the components of basic pay and allowances throughout one's military career.	X									
	Examine the impact of special pay and entitlements.		X	X						X	
	Discuss TRICARE options and costs.		X					X		X	X
	Discuss survivor and dependent benefits.							X		X	X
	Understand future financial benefits afforded by the Department's Career Investment Programs.		X		X						
Saving and Investing	Understand interest and how the concept of compounding works.		X								
	Recognize the importance of and be able to develop savings and an emergency fund.		X		X			X		X	X
	Describe the fundamentals of investing.		X								
	Understand and be able to manage a Thrift Savings Plan (TSP) account.		X		X	X				X	X
Notes: <ul style="list-style-type: none"> • <i>Permanent Change of Station</i> applies to Service members in paygrades E-1 to E-4 and O-1 to O-3. • <i>Promotion</i> applies to Service members in paygrade E-1 to E-5 and O-1 to O-4. • <i>Major Life Events</i> includes, at a minimum, marriage, birth of first child, divorce, and disabling sickness or condition. • <i>Transition</i> includes separation, transition between Active and Reserve Components, and retirement. 											

Change 1, 08/12/2020

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Attachment 3

GLOSSARYPART I. ABBREVIATIONS AND ACRONYMS

ASD(M&RA)	Assistant Secretary of Defense for Manpower and Reserve Affairs
ASD(R)	Assistant Secretary of Defense for Readiness
CMT	Common Military Training
DASD(FE&T)	Deputy Assistant Secretary of Defense for Force Education and Training
DASD(MC&FP)	Deputy Assistant Secretary of Defense for Military Community and Family Policy
DASD(RI)	Deputy Assistant Secretary of Defense for Reserve Integration
DoDI	DoD instruction
DTM	Directive-type Memorandum
MLA	Military Lending Act
SCRA	Servicemembers' Civil Relief Act
TLOs	terminal learning objectives
TSP	Thrift Savings Plan
U.S.C.	United States Code
USD(P&R)	Under Secretary of Defense for Personnel and Readiness

PART II. DEFINITIONS

These terms and their definitions are for the purpose of this DTM.

Career Investment Programs. Policies, programs, and partnerships that support war-fighting readiness and ensure that Service members are prepared for transition to the civilian workforce following military service, including, but not limited to, voluntary education, tuition assistance, certification, licensure, apprenticeship, and financial readiness.

continuation pay. A direct cash payment available to Service members covered under the Blended Retirement System, payable between completion of 8 and 12 years of service with a commitment of a minimum of 3 additional years of service.

financial literacy. The ability to use knowledge and skills to manage financial resources.

financial readiness. The state in which successful management of personal financial responsibilities supports a Service member's ability to perform their wartime responsibilities.

initial entry training. Training provided to Service members (enlisted, commissioned officers, and warrant officers) before arrival at the first permanent duty station.

lump sum. A cash payment of a portion of retirement pay under the Blended Retirement System made to eligible individuals in accordance with Section 1415 of Title 10, U.S.C.

major life event. At a minimum, marriage, birth of first child, divorce, and disabling sickness or condition.

pay entry base date. Date that denotes when an individual's service is calculated for pay purposes.

point of delivery. Event designated by the Military Department concerned where training is delivered.

structured self-development. Mandatory, planned, and goal-oriented learning that reinforces and expands the depth and breadth of an individual's knowledge base.

TLOs. The performance required of the student to demonstrate competency in the material being taught. TLOs describe exactly what the student must be capable of performing under the stated conditions to the prescribed standard upon lesson completion.

touchpoint. Personal and professional life events when financial literacy training is to be provided to Service members in accordance with Section 992(a) of Title 10, U.S.C.

training materials. Materials used by instructors, facilitators, and participants in a training environment.

transition. Separation from service, transition between Active and Reserve Components, or retirement.

vesting. The process by which an individual accrues non-forfeitable rights over employer-provided incentives or employer contributions made to the individual's qualified retirement account.

Road to FINANCIAL READINESS

Think of your financial journey as a road trip. You'll need a plan to get there, regular fill-ups and maintenance to get where you need to go. And you will have assistance available along the way.



You will receive financial training at each of these touchpoints:



Your personal financial manager/counselor is available through your Family Center for education and training at each stage of your journey. Turn to them to learn more about money management, including saving, investing, retirement planning, and credit and debt management.



For more resources and tips follow the Office of Financial Readiness at <https://finred.usalearning.gov> and @DoDFINRED on . Visit [Military OneSource](https://militarypay.defense.gov/BlendedRetirement) for a wealth of additional financial information.

*Only applies to those enrolled in the Blended Retirement System. To learn more about the BRS, go to <http://militarypay.defense.gov/BlendedRetirement>

Five principles and how to use them

Summary for financial educators and practitioners

When you interact with people and help them work toward their money goals—and life goals—it's important to feel confident in your approach.

How to use the five principles

The five principles outlined below can help guide your work. For example, you might use the principles as a checklist to identify how your program supports key factors that drive a person's financial well-being. You might compare the principles to your program's focus and decide to incorporate new insights. Or, you might seek out complementary programs to fill gaps you identify.

The principles are compiled from research on what drives people to take actions aimed at improving their money situation as well as their financial well-being, and how those drivers can be influenced by financial education. To help make the principles easy to put into practice, we talked to experts in the field and gathered feedback from financial education practitioners.

1. Know the individuals and families to be served

Financial education programs can be more effective if they are matched to people's specific circumstances, challenges, and goals. *Example:* Start with an assessment tool, like the CFPB's Financial Well-Being Scale.

2. Provide actionable, relevant, and timely information

People are more likely to absorb information if it is connected to an upcoming decision that matters to them, at the time when they can put it to use, with concrete steps they can follow. *Example:* Provide first-time homebuyers with information they can use to guide them through the home loan process.

3. Improve key financial skills

To put financial knowledge to use, consumers also need to build skills. Key skills include knowing when and how to find reliable information to make financial decisions, how to process the information, and how to follow through. *Example:* Give people simplified worksheets to help them comparison shop.



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4. Build on motivation

Financial education can help people strengthen qualities and attitudes that allow them to stay motivated. You can help people focus on their own values rather than external influences, persevere in the face of obstacles, and build confidence that they can achieve their financial goals. Example: Set up a buddy system to help people stay on track.

5. Make it easy to make good decisions and follow-through

The situations people encounter can strongly influence what they actually do. You can help people follow through on their intentions by working with the influences or forces at play within their surroundings. Example: Help people set up automatic transactions that support specific goals.

Effective financial education leads to action

The five principles relate to the key drivers of financial well-being. Financial well-being can be defined and measured as a person's sense of control and freedom, with today's finances and looking toward the future.

Effective financial education can help people bridge the gap between what they want to achieve and the actions they ultimately take. The model of financial action, illustrated below, shows how knowledge, skills, motivations, and opportunities work together to support a course of action.

The model of financial action



PRINCIPLES

- 1 Know the individuals and families to be served.
- 2 Provide actionable, relevant, and timely information.
- 3 Improve key financial skills.
- 4 Build on motivation.
- 5 Make it easy to make good decisions and follow through.

For a thorough discussion of each principle, along with examples and tips, please see the full report, *Effective financial education: Five principles and how to use them*.



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